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THE COMMONWEALTH OF MASSACHUSETTS

Department of Public Utilities

Fortieth Annual Report

for the

Fiscal Year Ending

June 30, 1959

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The Commonwealth of Massachusetts
Department of Public Utilities
State House, Boston 33

June 30, 1959

To the Honorable Senate and House of Representatives:

We respectfully submit the Fortieth Annual Report of the Department of Public Utilities for the fiscal year ending June 30, 1959.

During the 1958 session of the General Court, legislation was enacted and signed into law as Chapter 557 of the Acts of 1958 increasing the membership of the Commission from five to seven members with the provision that one of the additional members was to be a woman.

Francis X. Lang (Democrat) of Wellesley was appointed a member of the Commission and designated as Chairman by Governor Foster Furcolo, and being duly qualified assumed the duties of office on August 28, 1958. The other members of the Commission holding office during the year were: David M. Brackman (Republican) of Newton, Joseph F. Cleary (Democrat) of Cambridge, Troy T. Murray (Republican) of Springfield, Roy C. Papalia (Republican) of Watertown, Francis G. Begley (Democrat) of Wellesley and Margaret C. Swift (Democrat) of Monson.

Returns

The number of corporations, private and municipal, persons, firms and associations filing annual returns for the year ended December 31, 1958, with the Accounting Division of the Department, is as follows:

| | | | |
|---------------------------|----|------------------------------|----|
| Steam railroads..... | 18 | Manufacturing and other | |
| Street railways..... | 11 | companies and persons | |
| Telephone companies..... | 6 | doing an electric | |
| Telegraph companies..... | 1 | business..... | 4 |
| Steamboat companies..... | 1 | Water companies..... | 54 |
| Sleeping car companies... | 1 | Motor bus lines..... | 83 |
| Express companies..... | 3 | Municipal lighting plants... | 40 |
| Gas companies..... | 27 | Voluntary associations..... | 11 |
| Electric companies..... | 22 | Affiliates of gas and | |
| | | electric companies..... | 5 |

Total.....287

Quarterly financial and statistical reports were filed with the Accounting Division by approximately forty-five transportation companies, including railroad, street railway and motor bus companies.

The above returns were analyzed and checked by the Division for compliance with the Uniform System of Accounts and were amended, where necessary, after conferences with officers of the reporting utilities or where possible by correspondence.

In addition to the above, there were within the jurisdiction of the Department 592 regular route common carriers, 7565 irregular route common carriers, 770 contract carriers, 5418 interstate licensed carriers and 92 agricultural carriers, a total of 14,437 registered carriers operating motor vehicles for the transportation of property for compensation between points within the Commonwealth.

During the fiscal year the Commission and employees authorized and designated by the Commission held 380 formal hearings, and the Commission held 14 informal conferences with representatives of various utilities under its jurisdiction.

A statistical outline of the work of the Department is as follows:

Petitions and Applications

| | | | |
|-----------------------|-----|---------------------------|------------|
| Railroads..... | 147 | Motor truck..... | 402 |
| Street railways..... | 45 | Telephone & telegraph.... | 15 |
| Gas and electric..... | 133 | Steamship..... | 0 |
| Water..... | 15 | Sale of Securities..... | 26 |
| Motor bus..... | 161 | Miscellaneous..... | 8 |
| | | Airlines..... | 0 |
| | | Rates and tariffs..... | <u>671</u> |
| | | Total..... | 1623 |

Complaints

| | | | |
|----------------------|-----|---------------------------|------------|
| Railroads..... | 146 | Motor truck..... | 649 |
| Street railways..... | 67 | Telephone & telegraph.... | 1058 |
| Gas..... | 306 | Sale of securities..... | 0 |
| Electric..... | 566 | Rates and tariffs..... | <u>542</u> |
| Water..... | 29 | | |
| Motor bus..... | 67 | Total..... | 3430 |

Rate Schedules

| | | | |
|------------------------------------|------|---------------------------|------------|
| Railroads (freight & passenger)... | 2054 | Miscellaneous (Telephone) | |
| Gas..... | 37 | (Telegraph) | 229 |
| Electric..... | 131 | (Railway | |
| Street railway and buses..... | 77 | Express) | |
| Steamship (freight and passenger) | 4 | Motor Truck | |
| Water..... | 20 | (Examined and accepted) | 2496 |
| Aircraft (freight and passenger). | 17 | (Examined and rejected) | <u>498</u> |
| | | Total..... | 5563 |

Fiscal Results

The receipts of the Department of Public Utilities for the fiscal year from July 1, 1958 to June 30, 1959 are given below:

Administration Division

| | | |
|-----------------------|---------------|--------------|
| Meter Inspection Fees | \$84,579.50 | |
| Sale of Forms | 247.20 | |
| Miscellaneous | <u>233.73</u> | \$ 85,060.43 |

Railway and Bus Division

| | | |
|-----------------------|-----------------|-----------|
| Bus Permits | 3,932.50 | |
| Bus Drivers' Licenses | <u>7,056.00</u> | 10,988.50 |

Commercial Motor Vehicle Division

| | | |
|----------------------------------|--------------|------------|
| Copies Documents | 540.15 | |
| Certificates, Permits & Licenses | 10,410.00 | |
| Plates | 246,444.20 | |
| Replacements | 556.15 | |
| Postage | 2,400.42 | |
| Miscellaneous | <u>89.60</u> | 260,440.52 |

Securities Division

| | | |
|---|------------------|-----------------|
| Brokers' and Salesmen's Licenses | <u>50,410.00</u> | 50,410.00 |
| Rent of Portion of Land forming a part of Cambridge Subway | <u>3,600.00</u> | <u>3,600.00</u> |
| | Total Income | \$410,499.45 |

LEGISLATIVE RECOMMENDATIONS

The following recommendations were filed with the General Court in November 1958 as a part of the Annual Report of the Department.

I. EXCAVATIONS IN PUBLIC WAYS

There have been frequent instances of private contractors and builders excavating in public ways damaging or breaking water, gas or electric underground facilities, thus endangering their crews and the general public, and with a consequent interruption of service to home owners. To guard against this it is proposed that before such an excavation is undertaken, the person excavating shall make proper inquiry as to the presence of such pipes or conduits, and give notice to the interested parties.

(THIS LEGISLATIVE RECOMMENDATION WAS ENACTED BY BOTH BRANCHES OF THE GENERAL COURT AND WAS SIGNED INTO LAW AS CHAPTER 316 OF THE ACTS OF 1959.)

II. BUILDINGS CLOSE TO HIGH PRESSURE GAS LINES

Natural gas is now being transmitted long distances under high pressure. If any leakage should occur it could seriously endanger the occupants of any building adjacent thereto. For this reason, the Department has required that in the laying out of such pipe lines a distance of forty feet on either side of such a main be free of buildings used for human occupancy. The Department, however, is without authority at the present time to prevent the ill-advised building of any such structure after a pipe line has been installed, particularly by persons other than gas transmission companies. Accordingly, it is recommended that statutory authority be given to prevent such construction. (THIS LEGISLATIVE RECOMMENDATION WAS REJECTED BY THE GENERAL COURT).

SPECIAL INVESTIGATIONS

STUDY OF PROPOSED SAFETY REGULATIONS GOVERNING THE OPERATION OF POWER EQUIPMENT SUCH AS CRANES, BULLDOZERS AND SHOVELS IN THE VICINITY OF EXISTING OVERHEAD TRANSMISSION LINES.

Upon legislative authorization to make a study relative to the regulation of power equipment in the vicinity of overhead transmission lines, the Department circularized all other states in the Union and several provinces in Canada to determine their experience with accidents caused by this type of equipment and whether safety laws regulating their use are in effect. Also, all utility companies and municipal departments in Massachusetts were circularized to determine the number of accidents reported to them attributable to this type of equipment coming in contact with power lines, and the number of outages, and duration of outages, resulting.

Interest of the Department in proposed safety regulations was aroused because it was noted that a substantial number of accidents were reported involving the use of power equipment in the vicinity of overhead transmission lines. The Department is convinced that many of the accidents involving this type of equipment could have been avoided if there had been a proper observance of safety precautions.

In a report to the Legislature, it was noted that twelve states and the District of Columbia have adopted such a safety code as proposed, and that the regulations have proven workable and effective.

As a result of a study of data received from other states,

correspondence and conferences with interested and qualified officials, including nationally known safety engineers, the Department recommended the adoption of a safety code which it was felt would minimize the possibility of accidents causing injury - or death - to workmen and others, as well as loss of service and expense and inconvenience to consumers and utilities alike.

No funds were allocated for the study, but extensive correspondence was carried on with regulatory bodies and utility companies in other states, and with a group of safety engineers which had spent considerable time and effort studying such accidents with a view to promulgation of safety regulations. Valuable information was obtained through conferences with representatives of the road builders and construction company representatives in Massachusetts and their insurance representatives and the Massachusetts Departments of Public Safety and Labor and Industries.

Copies of regulations in effect in other states and Canada were obtained and carefully analyzed. A copy of the proposed code prepared by the aforementioned safety engineers also was obtained and studied. Present laws in effect in Massachusetts with respect to safety of various types of construction, equipment and employees in various industries were also studied.

Finally a proposed code was formulated and presented to the General Court with a report recommending its adoption. It was recommended that the administration of the code be under the Department of Public Safety, since under present law that department licenses the operators of derricks, hoisting equipment, etc. The matter was referred to the Committee on Ways and Means for further study during the recess of the General Court in 1958.

INVESTIGATION AND STUDY BY THE DEPARTMENT OF PUBLIC UTILITIES,
IN ACCORDANCE WITH CHAPTER 49 OF THE RESOLVES OF 1958, AS TO THE
ESTABLISHMENT OF A STATE-WIDE SAFETY CODE COVERING THE INSTALLATION
OF GAS FACILITIES WITHIN BUILDINGS.

The Department of Public Utilities was directed by the General Court in Chapter 49 of the Resolves of 1958 to investigate and study the establishment of a State-wide safety code covering the installation of gas facilities within buildings, and specifically, the advisability of adopting the provisions of the American Standards Association, Inc., Code Z21.30, 1954, as approved by the American Gas Association, Inc.

The obvious need for a code is indicated primarily by the chronic accident record on file with the gas utilities, the Department of Public Utilities and in the status of regulatory codes of the various cities and towns of Massachusetts.

As a preliminary step an investigatory committee was established composed of representatives of the Department and of the gas industry. This committee reviewed various gas codes of cities, states and utility companies throughout the country, and it was their opinion that with certain modifications the A.S.A. Z21.30, 1954, Code was preferable to any of the others studied. The American Standard Code has been adopted by some 1100 communities in the United States and, by mutual agreement, the National Fire Protection Association and National Board of Fire Underwriters, Standard 54 is absolutely identical word for word.

The Committee held meetings on September 4, September 26, October 6, October 20, October 28 and November 4, 1958 reviewing each section of the code and modifying the phraseology to meet the need for local regulation. The supervisor of plans and the Board of Standards of the Department of Public Safety were then asked for an opinion of the revised code. The Board of Standards outlined suggested changes which were approved by the Committee, while the reasons for denial of certain other changes were outlined in a letter to the Board of Standards.

Meetings were held to obtain opinions from the various plumbing inspectors, building inspectors, gas inspectors and fire prevention inspectors from various cities and towns, and comments elicited from these groups resulted in additional changes which are now included in the proposed gas code.

Serious objection to paragraph 1.3 was propounded by representatives of the Master Plumbers' Association and the Joint Board of the Plumbing Industry of Boston and vicinity, in which they advised that State-wide licensing be established for qualifying gas fitters, that the licensing system be under the State Board of Plumber Examiners and that the piping and appliance installation be performed only under the supervision of a licensed master gas fitter or master plumber. Objection to any change was forwarded by the United Mine Workers Local 50 in which they contended that approximately 3000 members of their organization, trained by formal education programs and qualifying tests, would be disqualified by such modification. Both these organizations proposed stating their respective views at the public hearing held by the legislative committee on the adoption of the code.

The opinion of the Committee was that although there may be merit in the criticism of the two agencies, the section primarily was worded to maintain a status quo insofar as the right of the individual cities and towns are concerned and adoption of the code for State-wide regulation of the installation of piping and appliances in buildings should not be used as an instrument to gain employment advantage and thus be defeated.

Paragraph 5.33 of the proposed code allows certain flues or vents to be manufactured of non-combustible, corrosion resistant material, so-called "pre-fab" flues, which are listed by a nationally recognized testing agency. Criticism advanced against allowing inclusion of this material is that their installation would presume over the authority of some of the local building codes.

The suggestion was proposed by the Committee that in controversies

between the installer and the local authority having jurisdiction, over interpretation of the code, that some State department be used for technical mediation.

(THE NECESSARY LEGISLATION TO PUT THE CODE INTO EFFECT IS STILL PENDING BEFORE THE GENERAL COURT AT THE TIME OF PREPARATION OF THIS REPORT).

* * * * *

LITIGATION

JORDAN MARSH COMPANY
BOSTON HOUSING AUTHORITY
FEDERATED DEPARTMENT STORES, INC.
MUNICIPAL LIGHTING DEPARTMENT
OF THE TOWN OF READING

vs

DEPARTMENT OF PUBLIC UTILITIES

Under date of May 16, 1958 and following numerous public hearings and consideration of the evidence presented therein, the Department of Public Utilities issued Order D.P.U. 12319 approving new schedules of rates and charges for electricity filed by Boston Edison Company covering all classifications of service provided by said company, said rates and charges to become effective June 1, 1958.

As the result of the issuance of the Department's order, approving the new schedule of rates and charges, which increased Edison's gross annual revenue by approximately \$2,488,318, Jordan Marsh Company, Boston Housing Authority, Federated Department Stores, Inc., and the Municipal Lighting Department of the Town of Reading filed separate Petitions for Appeal and Bills of Complaint in the Supreme Judicial Court asking that the order of the Department be set aside on the grounds that the rates and charges contained therein were excessive, discriminatory and unreasonable and were not in the public interest.

On July 11, 1958, Boston Edison Company filed a Motion for Leave to Intervene as a respondent with the right to file pleadings, introduce evidence and present arguments in the proceedings, and on the same date separate motions were filed by the Petitioners and by the office of the Attorney General, on behalf of the Department, assenting to the motion of Edison for Leave to Intervene.

On July 31, 1958, Boston Housing Authority filed a written request with the Court asking that it be permitted to withdraw its Petition for Appeal and Bill of Complaint.

At the time of the preparation of this report the Petitions for Appeal and Bills of Complaint are still pending before the Supreme Judicial Court.

* * * * *

MUNICIPAL LIGHTING DEPARTMENT
OF THE TOWN OF TEMPLETON

vs

DEPARTMENT OF PUBLIC UTILITIES

The Department, on March 31, 1958 and after public hearings and consideration, issued Order D.P.U. 12220 approving a new schedule of rates and charges for electricity by Worcester County Electric Company, said rates and charges to become effective April 21, 1958.

As the result of the issuance of this order approving the new schedule of rates and charges, which increased the gross annual revenue of the Worcester County Electric Company by approximately \$1,306,000, the Municipal Lighting Department of the Town of Templeton on May 6, 1958 filed a Petition for Appeal and Bill of Complaint in the Supreme Judicial Court asking that the order of the Department be set aside on the grounds that the new schedule of rates and charges was unreasonable and discriminatory.

On May 13, 1958, Worcester County Electric Company filed a Motion for Leave to Intervene in the proceedings, and on the same date the Petitioner and the office of the Attorney General, on behalf of the Department, assented to the motion of the Worcester County Electric Company for Leave to Intervene.

At the present time the case is still pending before the Court.

* * * * *

RETAIL STORES DELIVERY, INC.
STONE'S EXPRESS, INC.
RAILWAY EXPRESS AGENCY, INCORPORATED

vs

DEPARTMENT OF PUBLIC UTILITIES

This matter was brought before the Supreme Judicial Court by the Petitioners as the result of orders of the Department in the proceedings in D.P.U. 11663 and D.P.U. 11937.

On December 1, 1955, United Parcel Service, Inc., filed an application with the Commercial Motor Vehicle Division of the Department, pursuant to Section 11 of Chapter 159B of the General Laws, for authority to acquire all of the capital stock of Mann Forwarding Co., Inc. Mann was the holder of Irregular Route Common Carrier Certificate #5652 authorizing the transportation of general commodities between all points in the Commonwealth and also Contract Carrier Permit #361 authorizing the transportation of groceries for an individual company between all points in the Commonwealth.

A public hearing was held on United's application and on January 31, 1956, the Director of the Commercial Motor Vehicle Division of the Department handed down a decision dismissing the application without prejudice to the right of the petitioner to request that the proceedings be reopened.

On February 1, 1956, United filed a petition for reopening and on February 6, 1956 the Director of the Commercial Motor Vehicle Division issued an order reopening the proceedings.

Retail Stores Delivery, Inc., Stone's Express, Inc., and Railway Express Agency, Incorporated, filed protests with the Department alleging that the order reopening the matter for further hearing was null and void and beyond the scope of authority of the Director in that United had rested its case and the matter was closed.

On March 6, 1956, the proceedings were reopened for further hearing before the Director and on March 29, 1956, said Director handed down a decision approving the petition of United for acquisition of such stock and that upon consummation of transactions Contract Carrier Permit #361 and Irregular Route Common Carrier Certificate #5652 be assigned to United.

The appellants in the proceedings filed further appeals with the Commission of the Department requesting that the decision of the Director be set aside on the grounds that the approval granted therein was not consistent with the public interest and would adversely affect the operations of other certificated and licensed carriers.

On December 31, 1957, the Commission of the Department, following public hearings and consideration, issued Orders D.P.U. 11663 and D.P.U. 11937 sustaining the decision of the Director and denying the appeals of the protestants.

On January 31, 1958, Retail Stores Delivery, Inc., Stone's Express, Inc., and Railway Express Agency, Incorporated, filed a Petition for Appeal and Bill of Complaint in the Supreme Judicial Court asking that the orders of the Department be declared null and void on the ground that the Director had no authority to reopen the proceedings once they had been closed and that the action of the Department in sustaining the Director was contrary to the evidence.

On April 11, 1958, United Parcel Service, Inc., as intervenor, filed with the Court its answer to the Petition for Appeal and Bill of Complaint, and on April 21, 1958, the office of the Attorney General, on behalf of the Department, filed the answer of the respondents and asked the Court to dismiss the Petition for Appeal and Bill of Complaint and affirm the orders of the Department.

On November 20, 1958 a single Justice of the Court who had heard the cause, reserved and reported the matter to the Full Bench of the Court.

The case was brought to a conclusion on July 22, 1959 when the Full Bench of the Court entered a final decree dismissing the Bill of Complaint.

* * * * *

TOWN OF WILMINGTON
vs
DEPARTMENT OF PUBLIC UTILITIES

The Department, on May 12, 1959, issued Order D.P.U. 12784 granting authorization to the Boston and Maine Railroad to discontinue all passenger train service at North Wilmington station on the Western Route main line of the railroad and the discontinuance of all passenger train service on the line between Reading and North Wilmington Junction. Said order also provided for elimination of the passenger station at North Wilmington.

On June 4, 1959, the Town of Wilmington filed a Petition for Appeal with the Supreme Judicial Court asking that the order of the Department be set aside and that the matter be remanded to the Department for rehearing. In its appeal the Town of Wilmington stated that no approval was ever given by the Selectmen of Wilmington for the elimination or relocation of any stations in the town, and that although the town participated in the hearings before the Department no action was taken by the Department on any of the requests for rulings of law filed by the Town and it was to be presumed that such failure to act was in effect a denial of such requests for rulings. The appeal further contended that such denial of each of its requests for ruling constituted an error of law on the part of the Department.

On June 4, 1959, the Town of Wilmington filed application for a Stay of Order and on June 10, 1959 filed an affidavit in support of its application for a Stay of Order.

The Boston and Maine Railroad, on June 10, 1959, filed a petition with the Court for Leave to Intervene as a party respondent and on June 11, 1959 the Railroad filed a motion as Intervenor-Respondent for denial of the petitioner's application for Stay of Order.

On June 18, 1959, a Single Justice of the Court denied the application for a Stay of Order.

At the time of the preparation of this report the matter is still pending before the Court.

* * * * *

CAPITAL STOCK AND BONDS

Twenty-one applications for approval of stock, bonds or notes have been decided during the period from July 1, 1958 to June 30, 1959. The par value of the securities asked for was \$101,871,185 and the par value of the securities approved was \$101,837,885.

The following table shows the securities approved for the several companies therefor listed, giving both the par value of the stock and the issue price thereof, determined as required by law.

Capital Stock Approved

| | <u>Amount at Par</u> | <u>Issue Price</u> | <u>Proceeds at Issue Price</u> | <u>Bonds or Notes</u> | <u>Date</u> |
|-------------------------------|--------------------------|------------------------|------------------------------------|--|-------------|
| Berkshire Gas Co., The | \$184,610 | \$14.75 | \$ 272,300 | | 7/25/58 |
| Berkshire Gas Co., The | 100,000 Pfd. | 20 | 100,000 | \$ 750,000 ¹ . 80,000 ² . | 11/7/58 |
| Berkshire Gas Co., The | 150,000 Pfd. | 100 | 150,000 | | 5/26/59 |
| Boston Edison Co. | 25,000,000 | 100 | 25,000,000 | | 7/9/58 |
| Brockton Edison Co. | 2,000,000 Pfd. | 50.46 | 2,018,400 | | 4/13/59 |
| Brockton Edison Co. | | | | 5,000,000 ¹ . | 6/11/59 |
| Buzzards Bay Gas Co. | 300,000 Pr.Pfd. | 25 | 300,000 | | 7/16/58 |
| Cambridge Elec. Lt. Co. | 75,000 | 100 | 300,000 | | 4/13/59 |
| Dedham Water Co. | 642,000 | 100 | 642,000 | 650,000 ¹ . | 10/10/58 |
| Fairhaven Water Co. | | | | 130,000 ¹ . | 7/1/58 |
| Fitchburg Gas & Elec. Lt. Co. | | | | 4,000,000 ² . | 2/20/59 |
| Haverhill Gas Co. | 122,850 | 20 | 245,700 | 900,000 ¹ . | 12/3/58 |
| Hingham Water Co. | 66,700 | 150 | 100,050 | 400,000 ² . | 10/10/58 |
| Lowell Gas Co. | 300,000C. 375,000P. | 45 25 | 540,000 375,000 | | 9/25/58 |
| Manchester Elec. Co. | | | | 150,000 ² . | 8/4/58 |
| Montaup Electric Co. | 3,252,100 | 100 | 3,252,100 | 3,950,000 ³ . | 6/24/59 |
| Wannacomet Water Co. | 9,625 | 65 | 25,025 | 250,000 ² . | 10/10/58 |

Capital Stock Approved

| | <u>Amount at Par</u> | <u>Issue Price</u> | <u>Proceeds at Issue Price</u> | <u>Bonds or Notes</u> | <u>Date</u> |
|----------------------------|--------------------------|------------------------|------------------------------------|--|-------------|
| Yankee Atomic Electric Co. | \$4,000,000 | \$100 | \$4,000,000 | | 8/7/58 |
| Yankee Atomic Electric Co. | 5,000,000 | 100 | 5,000,000 | | 12/8/58 |
| Yankee Atomic Electric Co. | 7,000,000 | 100 | 7,000,000 | \$20,000,000 ¹ 17,000,000 ² | 2/16/59 |

Approved as to Maturities and
Interest Rate Only

Boston Met. District,
Trustees of

1,147,000
(Ser.A)
1/8/59
5,225,000
(Ser.B)

Notes - 1. First Mortgage Bonds
2. Notes
3. Debenture Bonds

ACCOUNTING DIVISION

Schedules of additions, betterments and retirements to plant and property of the following companies, as filed with the Division annually under the provisions of D.P.U. 4980, were checked in the field and the property inspected by this Division during the fiscal year, primarily in connection with proposed new financing:

Attleboro Electric Company
The Berkshire Gas Company
Boston Edison Company
Brockton Edison Company
Buzzards Bay Gas Company
Cambridge Electric Light Company
Cape & Vineyard Electric Company
Dedham Water Company
Fitchburg Gas and Electric Light Company
Haverhill Gas Company
Hingham Water Company
Holyoke Power & Electric Company
Lowell Gas Company
Manchester Electric Company
Montaup Electric Company

Nantucket Gas and Electric Company
Northampton Electric Lighting Company
Northampton Gas Light Company
Northern Berkshire Electric Company
Norwood Gas Company
Quincy Electric Company
Southern Berkshire Power & Electric Company
Wachusett Gas Company
Wannacomet Water Company
Weymouth Light & Power Company
Worcester Gas Light Company
Yankee Atomic Electric Company

The following municipal lighting plant properties were inspected and schedules of proposed plant expenditures examined in connection with requests by the respective plants for approval by the Department of an increase in their allowances for depreciation on plant and property, in accordance with Section 57, Chapter 164 of the General Laws:

| | |
|----------|--------------|
| Boylston | Hudson |
| Chicopee | Middleboro |
| Concord | Reading |
| Holden | South Hadley |
| Holyoke | Wakefield |

During the year the Division conducted an audit of the vouchers and records of additions to plant under the terms of a lease between the Boston and Albany Railroad, Pittsfield and North Adams Railroad Corp. and the Ware River Railroad Co. It also conducted an inspection of the property accounts of the Metropolitan Transit Authority relating to the Authority's petition for approval by the Department of its charges to the cost of service, in accordance with Section 11 of Chapter 544 of the Acts of 1947.

In connection with the petition of the Granby Telephone and Telegraph Company for approval of an increase in its rates, the Division conducted an appraisal of the telephone plant in service. It also reviewed and checked the appraisal report of the Holden Municipal Light plant made by the American Appraisal Company.

The following is a list of the municipal lighting plants with their percentages of earnings which, from returns filed in 1959 for the year ended December 31, 1958, appear to have violated the provisions of the statute requiring such plants to reduce their rates when they have earned in excess of the eight per cent allowed:

| | | |
|-----------|---|-------|
| Merrimac | - | 8.26% |
| Chicopee | - | 9.49% |
| Middleton | - | 8.41% |
| Russell | - | 9.13% |
| Westfield | - | 9.85% |

For the subsequent year the Municipal Plants of Chicopee, Russell and Westfield realized a return of less than 8 per cent. Merrimac was notified of the violation. Middleton filed a reduced rate effective in 1960.

DIVISION OF RAILWAY AND BUS UTILITIES

During the fiscal year the Division of Railway and Bus Utilities made 12,666 inspections of rolling stock, including locomotives, passenger and freight cars, 836 inspections of street railway cars, and 567 inspections of trackless trolley coaches, 812 inspections of railroad and street railway bridges, 713 inspections of railroad and street railway stations, 2446 inspections of railroad and street railway automatic and interlocking stations, 67 inspections of Remote Control C.T.C. and interlocking stations and 294 automatic train stops. In addition, switches, derails, foot blocking, bridge guards, crossings and crossing signs were inspected and defective conditions were called to the attention of the proper officials of the companies and corrections were made.

The Division investigated 190 accidents and 1540 delays in service on railroads, 46 accidents and 7 delays in service on street railways. There were 146 complaints relative to railroad operations and 7 complaints on street railways investigated and adjusted. There were 138 studies and investigations pertaining to railroads and 34 on street railways conducted by the Division and 4 Police Licenses issued to railroads. The Division held 35 public hearings pertaining to railroads and 2 on street railways and issued 40 orders affecting railroads and 2 affecting street railways.

MOTOR BUS TRANSPORTATION

At the close of the fiscal year there were 149 persons, associations or corporations, including street railway corporations operating within the Commonwealth of Massachusetts for the carriage of passengers for hire, as follows:

| | |
|--------------------|-----------|
| Common only | 17 |
| Charter only | 59 |
| Common and charter | <u>73</u> |
| Total | 149 |

This represents a total of 90 carriers operating under Certificates of Public Convenience and Necessity and 132 operating under Charter Licenses granted by the Department.

Acting under the provisions of Chapter 482 of the Acts of 1947, the Division handled 62 applications for Special Service Permits and issued 58 such permits, denying 4.

There were 494 Bus Permits issued (including duplicates) and 6636 bus Drivers Licenses (including duplicates) for which fees aggregating \$11,045 were received.

The Division made 7,940 inspections of buses, 863 inspections of bridges over which buses are operated in regular route operations and 19 inspections over routes for new Certificates of Operation. There were 67 complaints investigated and adjusted and 9 accidents

investigated pertaining to bus operation and 2 delays in service. There were 599 drivers examined for bus drivers licenses. The Division conducted 102 public hearings pertaining to bus operation and issued 52 orders, 29 Certificates of Public Convenience and Necessity, 2 Charter Licenses and 1 Temporary License. There were 20 special studies and investigations made regarding transportation in different parts of the Commonwealth. The Department was represented at one Interstate Commerce Commission Joint Board hearing for bus operation.

On July 9, 1958 all passenger service on the Old Colony Branch of the New Haven Railroad was discontinued, but operations were resumed on July 10, 1958 and normal service was operated.

Once again the Division was called upon to act in an emergency to insure a continuation of public transportation for thousands of commuters to the south of Boston when service on the Old Colony Division of the New York, New Haven and Hartford Railroad was permanently discontinued on June 30, 1959. During the previous year service on the Old Colony Branch had been abruptly discontinued for a period of eighteen hours without advance notice and at that time the Division of Railway and Bus Utilities, realizing that such a development might occur, had previously formulated plans with various bus companies under which a sufficient number of buses could be made available immediately to provide emergency transportation in the event of sudden cessation of passenger train service. When the train service was discontinued these buses were pressed into service with the result that there was no serious transportation problem facing these thousands of commuters.

Again the Division was called upon to act when the contract for payment toward part of the cost of service between the railroad, cities and towns served by the Old Colony lines and the Commonwealth expired on June 30, 1959 and the New York, New Haven and Hartford Railroad permanently discontinued all passenger train service on the lines. According to arrangements previously made with various bus companies, the Department immediately stepped into the breach and issued emergency temporary licenses to four of the larger bus companies operating in the area to provide emergency service into the heart of downtown Boston. Again the commuters in this area of the Commonwealth were enabled to carry on their normal daily activities with the new mode of transportation made available to them.

The following is a statistical resume of the work of the Division for the fiscal year:

MOTOR BUS

| | |
|---|--------|
| Total number of Carriers | 149 |
| Common and Charter Licenses | 73 |
| Common Carrier Certificates | 17 |
| Charter Licenses | 59 |
| Permits Issued (including duplicates) | 494 |
| Fees Received for Permits (including duplicates) | \$4371 |
| Bus Drivers' Licenses Issued (including duplicates) | 6636 |
| Fees Received for Bus Drivers Licenses (including duplicates) | \$6674 |
| Bus Inspections | 7940 |
| Drivers Examined for Licenses | 599 |
| Bus Accidents Investigated | 9 |
| Bus Delays in Service Investigated | 2 |
| Bus Complaints Investigated | 67 |
| Investigations of Routes Over Which Buses are operated | 863 |
| Inspections of Bridges for New Routes | 19 |

In addition the Division made investigations relative to transportation of passengers by railroad, street railway and bus, conducted 102 public hearings relative to bus operation and issued 52 orders, 29 Certificates of Public Convenience and Necessity, 2 Charter Licenses and 1 Temporary License.

RAILROADS AND STREET RAILWAYS

| | |
|---|--------|
| Inspections of Rolling Stock | 12,666 |
| Inspections of Street Railway Cars | 836 |
| Inspections of Trackless Trolley Coaches | 567 |
| Inspections of Railroad and Street Railway Bridges | 812 |
| Inspections of Railroad and Street Railway Stations | 713 |
| Inspections of Railroad and Street Railway Automatic and Interlocking Signals | 2,446 |
| Inspections of Interlocking C.T.C. and Remote Control Systems | 67 |
| Inspections of Automatic Train Stops | 294 |
| Accidents Investigated on Railroads | 190 |
| Accidents Investigated on Street Railways | 46 |
| Delays in Service Investigated on Railroads | 1,540 |
| Delays in Service Investigated on Street Railways | 7 |
| Complaints Investigated on Railroads re Operation | 146 |
| Complaints Investigated on Street Railways re Operation | 7 |
| Railroad Police Licenses Issued | 4 |
| Bells Inspected at Railroad Grade Crossings | 190 |
| Gates Inspected on Railroads | 528 |
| Lights Inspected at Grade Crossings on Railroads | 555 |

Accidents at Grade Crossings During Year Ending June 30, 1959

| | Protected Crossings | | | | | Unprotected Crossings | | | | |
|---------------------------|---------------------|--------|---------|--------------------|----------------------------------|-----------------------|--------|---------|--------------------|----------------------------------|
| | Number of Crossings | Killed | Injured | No Personal Injury | Ratio of Casualties to Crossings | Number of Crossings | Killed | Injured | No Personal Injury | Ratio of Casualties to Crossings |
| Boston & Albany R.R. | 73 | 0 | 4 | 0 | 0 | 54 | 0 | 2 | 1 | 1-27 |
| Boston & Maine R.R. | 549 | 2 | 7 | 5 | 1-61 | 217 | 2 | 2 | 3 | 1-54 |
| Central Vermont Ry. | 9 | 0 | 0 | 0 | 0 | 32 | 0 | 0 | 0 | 0 |
| N.Y., N.H. & H. R.R. | 377 | 3 | 18 | 2 | 1-18 | 199 | 0 | 3 | 1 | 1-66 |
| Hoosac Tunnel & Wilm. Ry. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fore River R.R. | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grafton & Upton R.R. | 2 | 0 | 0 | 0 | 0 | 32 | 0 | 0 | 0 | 0 |
| Total | 1017 | 5 | 29 | 7 | 1-30 | 534 | 2 | 7 | 5 | 1-59 |

| Grade Crossing Accidents Investigated | |
|---------------------------------------|----|
| Involving Motor Vehicles | 34 |
| Involving Pedestrians | 2 |
| Passenger Trains Involved | 20 |
| Freight Trains Involved | 11 |
| Switches | 5 |
| Manual Gates | 1 |
| Flashing Lights | 13 |
| Wig-Wag Bell | 1 |
| Automatic Gates & Lights | 2 |
| No Protection | 10 |
| Stop & Protect | 5 |
| Manual Operated Gates | 1 |
| Crossing Flagman | 2 |
| Policeman Who Operates Signals | 1 |

| | |
|------------------------------------|----|
| Accidents at Unprotected Crossings | 10 |
| Accidents at Protected Crossings | 26 |
| Accidents During Daylight | 23 |
| Accidents During Darkness | 13 |
| Accidents at Public Crossings | 30 |
| Accidents at Private Crossings | 6 |
| Ran into Train | 5 |
| Struck By Train | 31 |

DIVISION OF RATES AND RESEARCH

During the fiscal year the various utilities and common carriers filed with the Division tariffs, schedules and contracts in the number and to the extent indicated below:

| | |
|--|------|
| Railroads (Freight and Passenger) | 2054 |
| Gas..... | 37 |
| Electric..... | 131 |
| Bus and Street Railways..... | 77 |
| Steamship (Freight and Passenger)..... | 4 |
| Water..... | 20 |
| Aircraft (Freight and Passenger)..... | 17 |
| | |
| Miscellaneous (Telephone) | |
| (Telegraph)..... | 229 |
| (Railway Express) | |
| | |
| Motor Truck (Examined and Accepted)..... | 2496 |
| (Examined and Rejected)..... | 498 |

In addition to the filings shown above, the Division received, examined and issued formal orders on 671 petitions requesting a waiver of the statutory filing requirements or of Department rules governing the form of tariffs.

During the same period the Division investigated and made findings on 542 various rate complaints brought by either the utility itself or a shipper or customer of the utility or carrier. 860 informal conferences were held on rate matters with various officials or representatives of common carriers and other utilities.

The Senior Rate Analyst submitted to the Commission a report in the form of a proposed order on 24 separate dockets, said dockets involving changes in utility rates and charges. Upon designation by the Commission he presided at 4 formal hearings on increased rates and charges, 6 Interstate Joint Board hearings held in Massachusetts and Connecticut, and testified in several formal court proceedings involving alleged violations of Chapter 159B of the General Laws.

During this period it conducted an extensive study as to the status of 1500 motor contract carriers of property, all of which carriers held permits issued by the Department. The Department believed, and the investigation justified this belief, that a number of these carriers were no longer actually conducting operations authorized by their permits and that many of the contracts in the Division files did not actually represent present operations or charges. To date some 300 of such carriers have been investigated with the result that 113 permits have been revoked for nonoperation and 45 have resubmitted new and up to date contracts with their shippers. It is planned to continue this investigation until such time as the Division is satisfied that its contract carrier files contain only contracts of those carriers actually engaged in physical operations.

ENGINEERING DIVISION

During the fiscal year the Engineering Division examined the schedules of additions, betterments to plant and general equipment accounts of the following companies in accordance with D.P.U. 4980 and inspected the related property.

Berkshire Gas Company
Central Massachusetts Gas Company
Fitchburg Gas and Electric Company
Haverhill Gas Company

Lowell Gas Company
Nantucket Gas and Electric Company
Northampton Gas Company
Norwood Gas Company

Springfield Gas Company
Wachusett Gas Company
Worcester Gas Light Company

Attleboro Electric Company
Boston Edison Company
Cambridge Electric Company
Cape and Vineyard Electric Company

Holyoke Power and Electric Company
Holyoke Water Power Company
New England Power Company
Northampton Electric Company

Northern Berkshire Electric Company
Quincy Electric Company
Southern Berkshire Electric Company
Western Massachusetts Electric Company

Weymouth Light and Power Company
Worcester County Electric Company

Cheshire Water Company
Dedham Water Company
East Northfield Water Company
Graves Water Company

Hingham Water Company
Wannacomet Water Company

Granby Telephone and Telegraph Company
Boston and Maine Railroad

The following municipal light department properties were inspected and reports written in connection with petitions for increases in proposed depreciation allowance:

| | |
|--|----------------|
| Ashburnham Municipal Light Department | D.P.U. 11666-C |
| Boylston Municipal Light Department | D.P.U. 12101-B |
| Chicopee Municipal Light Department | D.P.U. 12483-B |
| Concord Municipal Light Department | D.P.U. 11291-B |
| | |
| Danvers Municipal Light Department | D.P.U. 11175-C |
| Groton Municipal Light Department | D.P.U. 12066-A |
| Groveland Municipal Light Department | D.P.U. 12023-B |
| Hingham Municipal Light Department | D.P.U. 11479-D |
| | |
| Holyoke Gas and Electric Department | D.P.U. 12858 |
| Hudson Municipal Light Department | D.P.U. 12531-B |
| Hull Municipal Light Department | D.P.U. 10767-E |
| Littleton Municipal Light Department | D.P.U. 12831 |
| | |
| Marblehead Municipal Light Department | D.P.U. 12764 |
| Middleboro Municipal Light Department | D.P.U. 10634-E |
| Middleton Municipal Light Department | D.P.U. 12830 |
| North Attleboro Municipal Light Department | D.P.U. 12420-B |
| | |
| Shrewsbury Municipal Light Department | D.P.U. 11185-D |
| South Hadley Municipal Light Department | D.P.U. 12052-B |
| Wakefield Municipal Light Department | D.P.U. 11296-D |
| Wellesley Municipal Light Department | D.P.U. 11770-B |
| West Boylston Municipal Light Department | D.P.U. 12022-C |

Atomic Energy

Prepared a report for the Department of Public Health pertaining to the regulation and control of radioactive materials and other sources of ionizing radiation.

Study relating to Chapter 94, Resolves of 1958 re: radioactive materials.

Made trip to Rowe to inspect progress of construction of atomic power plant of Yankee Atomic Electric Company.

Attended conference with members of Coordinating Committee on Atomic Energy.

Reviewed hazards report of Atomic Energy Commission.

Civil Defense

During the fiscal year a member of the Division also functioned as Chief of Utilities Service of the Massachusetts Civil Defense Agency in addition to regular duties of the Division. This required participation in numerous conferences with officials of the Massachusetts Operation Survival Plans Project at Waltham which

conferences also included members of the Massachusetts Civil Defense Agency Utilities Service Deputy Technical Advisory Committee in connection with Operations Plan, Organization plans and Training plans. These plans relate to the activities of the Utilities Service Officers at State, Area and Sector Headquarters throughout the Commonwealth, coordination between the Massachusetts Civil Defense Agency and the electric and gas utilities in time of major disaster or war emergency.

In addition, members of the Division made preparations for and participated in nation-wide Operation Alert 1958 and Operation Alert 1959. Other duties required supervision of Utilities Service Activities during control center exercises, evaluation of operation of Utilities Service officers at various area and sector headquarters, participation in periodic conferences other than those mentioned above, such as general and limited staff meetings in connection with coordination between the Department, the electric and gas utilities and the Massachusetts Civil Defense Agency. Reports were required to be submitted from time to time on the above conferences.

Regulations

D.P.U. 11725 Revision of natural gas distribution rules.

Gas Meter Inspection. During the past year 164,290 gas meters were tested and inspected as required by statute. There were 110 gas meters tested on complaint. Of these 91 were found to be correct and 19 found to be incorrect; that is, inaccurate by more than two per cent.

Gas Inspection. Under the provisions of Section 109, Chapter 164, "the gas of every company which supplies more than fifty customers shall be inspected at least twice a year and as much oftener as the department may determine. The department may from time to time establish a new standard of purity for gas, and after a public hearing, determine how many grains of sulphur and ammonia per hundred cubic feet of gas may be permitted, but not more than thirty grains of sulphur per hundred cubic feet and no sulphuretted hydrogen shall be allowed."

During the period from July 1, 1958 to June 30, 1959 the Division made 171 gas inspections relative to heat content, hydrogen sulphide, ammonia and grains of sulphur. These inspections showed no violations as to BTU content. There were no other violations.

During this period 29 Connorsville meters were tested, 4 meter provers were calibrated and six calorimeter thermometers were calibrated.

Accidents. A total of 1046 accidents involving gas and electricity was reported to the Department. Of this number gas was involved in 990 cases and electricity was involved in 56 cases.

These accidents may be broken down as follows:

| | | | |
|------------------|-----|--------------------------|----|
| Gas - fatal: | 14 | Electricity - fatal: | 6 |
| Gas - non fatal: | 976 | Electricity - non fatal: | 50 |

All accidents are reviewed to determine the extent of the company's responsibility and in those cases where necessary the Department requires necessary action to prevent recurrence which may be reconstruction or a different method of operation.

Complaints. A total of 901 complaints relating to charges, rates, quality of service and extensions of the various gas, electric and water companies were received and investigated. Of this number 306 were attributed to gas, 566 to electricity and 29 to water.

These complaints may be broken down as follows:

Gas.

Billing, 107; shut offs, 94; quality, 27; supply, 38; extensions, 7; miscellaneous, 33.

Electricity.

Billing, 236; shut offs, 196; quality, 21; supply, 50; extensions, 15; miscellaneous, 48.

Water.

Billing, 8; shut offs, 7; quality, 2; supply, 8; extensions, 3; miscellaneous, 1.

Fees Received. The Engineering Division received and accounted for \$84,624.50 in fees for the testing of meters during the past fiscal year. This represents an increase of \$18,624.35 more than the amount received in fees for this purpose during the previous fiscal year.

TELEPHONE AND TELEGRAPH DIVISION

As of June 30, 1959, there were 2,226,539 telephones in Massachusetts, representing an increase in stations of 100,148 over the previous year ending June 30, 1958.

From July 1, 1958, through June 30, 1959, there were 1058 complaints made to the division for assistance relative to telephone and telegraph matters, all of which required special research and investigation. These examinations were concluded and reports made.

There were 56 instances of exchange boundary changes. The purpose of the changes was to make the boundaries coincide with or more closely conform with municipal lines. These changes involved the following localities: Maynard-Sudbury; Lexington-Lincoln; Lenox; Pittsfield-Lee; Ludlow-Springfield; Warren-Brimfield; Newton-Brighton-Brookline; Waltham-Watertown; East Bridgewater-Bryantville-Whitman-Bridgewater-Brockton; Wilmington-Andover; Haverhill; Boylston-Northboro; Lexington-Woburn; Blandford-Westfield; Holyoke-Northampton; Scituate-Norwell; Bridgewater-Brockton; Baldwinville-Athol; Osterville-Cataumet-Falmouth; Holden-Princeton; Dighton-Rehoboth-Fall River; Carver-Wareham; Bryantville-Hanover; Lawrence; Uxbridge-Blackstone; Springfield-East Longmeadow; Concord.

There were 26 instances of changes in base rate areas which involved the following localities: Maynard-Sudbury; Lexington; Lenox; Ludlow; Shirley; Newton-Brighton-Brookline; Waltham-Watertown; East Bridgewater; Wilmington; Lexington-Woburn; Williamstown; Scituate; Plymouth; Russell; Bridgewater; Brockton; Hudson; Holden; Hampden; Springfield-East Longmeadow.

The purpose of the base rate area changes was the inclusion of sections in which studies indicated a market for telephone service of sufficient density to warrant the furnishing of service without local mileage changes.

In October, 1958, a certain group of customers residing in that part of the Town of Westport known as Westport Harbor requested that telephone service be furnished from the Westport exchange rather than Westport Harbor (Little Compton, R.I.) exchange. An investigation was made by this division with reference to the inclusion of Westport Harbor to the Westport exchange. An engineering study was undertaken by the Telephone Company to determine the practicability of making the change. The poll conducted indicated that 56 per cent of the customers voted for Westport service. Therefore, necessary engineering steps to provide construction to furnish Westport service were undertaken and this change was accomplished on June 11, 1959. Now the exchange boundary coincides with the State boundary.

In November, 1958, a petition was filed by certain residents of the Town of Boylston who were desirous of being furnished service from Boylston rather than Northboro exchange.

An investigation was undertaken by the Division and after an engineering study was completed, plans were formulated for the completion of the necessary outside work and the change was made effective January 28, 1959.

During the fiscal year dial conversions were made in thirteen areas as follows:

| <u>Place</u> | <u>Exchange Name</u> | <u>Type</u> |
|--------------|----------------------|----------------|
| Winchester | Parkview 9 | No. 5 X-Bar |
| Scituate | Linden 5 | No. 5 X-Bar |
| Andover | Greenleaf 5 | No. 5 X-Bar |
| Chelmsford | Alpine 6 | Community Dial |
| Clinton | Empire 5 | No. 1 SXS |
| Marblehead | Neptune 2 and 8 | No. 5 X-Bar |
| Marlboro | Huntley | No. 5 X-Bar |
| Plymouth | Pilgrim 6 | No. 5 X-Bar |
| Rockland | Triangle 7 | No. 5 X-Bar |
| Wareham | Cypress | No. 5 X-Bar |
| Chesterfield | Axminster 6 | Community Dial |
| Williamstown | Glenview | No. 1 SXS |
| Windsor | Tremont | Community Dial |

COMMERCIAL MOTOR VEHICLE DIVISION

During the fiscal year covered by this report, a total of 1,495 hearings were conducted by the Commercial Motor Vehicle Division. Of these, 630 were public hearings on applications for original authority and amendments to existing rights, and 407 hearings on applications for transfer of certificates and permits. There were 447 complaint hearings before the Department, which includes those cases in which forfeiture of certificates for failure to operate as common carriers for more than sixty days was involved.

Alternate joint board members from this Division served on 19 Interstate Commerce Commission Joint Board hearings before the Interstate Commerce Commission. There were 649 complaints received and investigated by the Division on which reports were filed and 3,251 road checks were made by the investigators and examiners throughout the Commonwealth. Seventy (70) court prosecutions were handled by our investigators and examiners.

No new legislation was passed to take effect during this period, and there have been no changes in our reciprocal arrangements with other states. Reciprocity with respect to non-resident motor carrier fees is presently in effect with 24 states and the District of Columbia.

During the fiscal year, John W. Coughlin was promoted to Supervising Investigator (August 15, 1958) by the Commission after certification by the Division of Civil Service. Henry A. Crawford was appointed as Commercial Motor Vehicle Division Examiner on September 2, 1958 to fill the vacancy created by the promotion of Mr. Coughlin.

At the close of the fiscal year, there are 592 regular route common carriers, 770 contract carriers, 7,565 irregular route common carriers, 5,418 interstate licensed carriers, 92 agricultural carriers, and 16 brokers actively engaged in the transportation of property for hire over the public ways of this Commonwealth. For these registered carriers, the Division issued 73,239 plates and received in fees from all sources a total of \$262,352.32.

SECURITIES DIVISION

The Division of Investigation of Securities, located at 15 Ashburton Place, Boston, is a Division under the supervision and control of the Commission.

The purpose of the Division is to enforce Chapter 110A of the General Laws, as amended, known as the Sale of Securities Act. This Chapter was enacted August 26, 1921 for the purpose of controlling the sale of securities, to register persons selling the same, and to prevent fraudulent promotion and sale of securities.

All brokers and salesmen engaged in the business of selling securities in this Commonwealth must be registered annually with this Division. During the fiscal year ended June 30, 1959, there were 585 brokers and 4232 salesmen registered.

The required fee for original registration and renewal registration is \$50 in the case of a broker and \$5 in case of a salesman. Based on these registration fees, the income of the Division for the fiscal year amounted to \$50,410.

Applicants for original registration under Section 10 of the Chapter were required to file information statements under oath as to their past occupations, criminal records, if any, letters of reference, etc. Original applicants for registration as salesmen were given sufficient oral examination to demonstrate their qualifications to engage in the securities business.

Brokers conducting a general security business were required to file annual statements showing their financial condition. These statements are kept in a separate file and in accordance with Section 12 of the Chapter are not open to public inspection.

Section 11E of our Sale of Securities Act reads in part as follows: "No foreign or domestic corporation shall sell, or offer for sale, any of its securities to any of its employees other than those who are also officers thereof, unless such corporation has received general authority in writing from the commission to make such sale". Pursuant to the provisions of this section, eleven petitions were submitted to this Division, all of which meet the requirements of the statute and the approval of the Commission.

As required by Section 5 of the Act, a Notice of Intention to offer for sale and certain other relevant information must first be filed before a security may be offered for sale in this Commonwealth. However, certain exemptions to this filing have been provided for in Sections 3 and 4 of the Act. During the fiscal year 390 Notices of Intention were filed representing 485 different security issues.

The Division required annual reports to be filed by 392 corporations, companies, associations and trusts having securities qualified for sale in this Commonwealth. Of these reports 173 were filed on the calendar year and 219 on a fiscal year basis. These reports are

retained on file for the use of the public, and in some cases are the only records available.

Two hundred investment companies, or so-called investment trusts, having securities qualified for sale in this Commonwealth, were required to file annual reports with the Division.

Complaints from the general public relative to the activities of registered brokers and salesmen and violations of the provisions of the Sale of Securities Act were investigated and disposed of to the satisfaction of all parties concerned.

RULES AND REGULATIONS

In accordance with the provisions of Section 32 of Chapter 30 of the General Laws, as amended, the Department submits the following lists of all Rules and Regulations made or promulgated by the Department and in force and effective on June 30, 1958:

RULES AND REGULATIONS OF THE ADMINISTRATIVE DIVISION
OF THE DEPARTMENT OF PUBLIC UTILITIES

- D.P.U. 7026 - Rule relative to notice of Commission hearings.
- D.P.U. 7027-R - Vote that railroad carriers notify the Department in writing of any contemplated abandonment of railroad station or building.
- D.P.U. 8027-N - Vote that no railroad corporation shall change any schedule without giving 14 days' notice to public.
- D.P.U. 9651 - Rule that exhibits be filed one week before hearing.
- D.P.U. 10527-S- Vote relative to track removals.
- D.P.U. 11027-T- Vote of Commission dated July 1, 1955 - that Department will not make tentative or proposed decisions in connection with proceedings within the Department where a majority of the Commissioners of the Department neither heard nor read the evidence, and will not afford opportunity to file objections and present argument in such matters unless written request is made therefor prior to the hearings. (See Paragraph (7) of Section 11 of Chapter 30A of the G.L., inserted by Chapter 681 of the Acts of 1954.)

RULES, REGULATIONS AND ORDERS OF DEPARTMENT OF PUBLIC
UTILITIES APPLYING TO DIVISION OF RAILWAY AND
BUS UTILITIES

1. Rules, Terms and Conditions for the operation of motor vehicles for the carriage of passengers for hire under a certificate of public convenience and necessity. Effective April 1, 1932. Amended and revised March 28, 1944.
2. Rules, Terms and Conditions for the operation of sight-seeing automobiles in or from the City of Boston under a certificate of public convenience and necessity. Effective July 1, 1932.
3. D.P.U. 11027-R - Vote of Commission dated April 13, 1955 relative to the towing or pushing of disabled motor buses.
4. D.P.U. 11168 - Order of Department relative to insurance requirements of Department applying to persons, firms or corporations engaged in the operation of motor vehicles for the carriage of passengers for hire under permits, licenses or certificates issued by the Department.
5. D.P.U. 10419 - Order of the Department prescribing equipment for first aid to injured persons required to be carried by railroads.
6. D.P.U. 10689 and D.P.U. 10693 - Order of Department prescribing number and type of emergency tools and appliances required to be carried on railroad trains and cars.
7. D.P.U. 9729-S - Vote of Commission dated November 28, 1951 requiring motor buses to be equipped with mechanical or electrical device or devices to be used by driver when stopping or making turning movements.
8. D.P.U. 9605 - Order of the Department requiring the lowering of gates for the passage of all rail movements at all crossings at grade of railroad corporations where manually operated gates have been installed and are in operation.
9. D.P.U. 7438-BR - Vote of Commission dated June 25, 1947 requiring all persons operating motor vehicles in charter service to maintain records of each trip operated and prescribing the form in which such records shall be maintained.
10. D.P.U. 7378 - Order of the Department relative to the number of men required to be employed so as to form a train crew in switching and yard movements.
11. D.P.U. 4224 - Rules and Regulations adopted December 24, 1931 relative to the giving of signals by rail-borne motor cars operated by railroad corporations in the Commonwealth.

12. D.P.U. 3478 - Order of the Department relative to the manning of trains of railroad corporations.
13. D.P.U. 3056-A - Vote of Commission dated November 23, 1927 amending Rules and Regulations for the inspection and test of locomotive boilers as adopted by the Public Service Commission on October 31, 1914.
14. D.P.U. 337 - Rules adopted by the Department March 18, 1921 governing the operation of so-called one-man street railway cars over railroad crossings at grade.
15. P.S.C. 1549-I - Order of Public Service Commission dated October 13, 1917 modifying regulations for the heating of street railway cars.
16. P.S.C. 1096 - Order of Public Service Corporation dated September 9, 1915 requiring railroad and street railway companies to give notice to the Commission relative to installation of interlocking, block or special signals; proposed changes in such signal systems, or proposed changes in rules and regulations governing the operation of such signal systems on their railroad lines in Massachusetts.
17. P.S.C. 1081 - Order of Public Service Commission dated August 25, 1915 requiring railroad corporations to furnish to the Commission data listing locations and names of all crossings at grade on their lines of railroad, type of protection provided thereat and any changes in method of protection proposed to be made at any of such crossings at grade.
18. Order of Public Service Commission dated June 25, 1915 relative to the installation of foot guards for railroad tracks.
19. Order of Public Service Commission dated April 23, 1915 prescribing regulations relative to the installation and maintenance of railroad bridge guards.
20. Order of Public Service Commission dated January 25, 1915 prescribing form in which all railroad corporations and street railway companies shall file with the Commission reports of accidents on railroads and street railways.
21. Order of Department amending regulations adopted by the Board of Railroad Commissioners relative to the inspection and testing of locomotive boilers.
22. P.S.C. 576 - Order of Public Service Commission dated July 17, 1914 relative to the height of steps on all passenger cars owned and operated by street railway companies in Massachusetts.
23. D.P.U. 300 - Rules and Regulations adopted by Department of Public Utilities on November 8, 1920 relative to safety devices on street cars.

Rules and Regulations of the Department of Public Utilities relative to specifications for bridges carrying street railways.

RULES, REGULATIONS AND ORDERS
APPLYING TO DIVISION OF RATES AND RESEARCH
DEPARTMENT OF PUBLIC UTILITIES

- D.P.U. 6710 (First Revision) Rules and Regulations for the filing of Tariffs and Schedules (Other than Motor Truck).
- D.P.U. 8680 Prescription of Standard Mileage Guide (Milo Mileage Guide).
- D.P.U. 9545 & 6846 Minimum Charges for motor vehicles operated in Charter Service.
- D.P.U. 10599 Minimum Rates and Charges on Petroleum and Coal Tar or Petroleum Products transported in Bulk.
- D.P.U. 10599-A Amendments to D.P.U. 10599 prescribing minimum rates and charges for the transportation of Liquid bulk petroleum products or coal tar products.
- D.P.U. 7357 Order governing fuel clauses in the various rate schedules and in all contracts of electric companies.
- D.P.U. 10405 Rules governing the Form and Filing of Freight Rate Tariffs and Contracts by Motor Carriers and Brokers.
- D.P.U. 10814 Rules and Regulations for the Filing of Gas and/or Electric Schedules by Municipal Gas and Electric Departments.
- D.P.U. 11025 Establishing minimum rates and charges on the transportation of lumber and related articles by both common and contract motor carriers of property.
- D.P.U. 11093 Rules and Regulations for the filing of Schedules by Water Districts.
- D.P.U. 9896 Minimum Rates for Dump Truck Operations.
- D.P.U. 8179 Minimum Rates and Charges for transportation of fruits and vegetables between specified points by motor carriers.

RULES, REGULATIONS AND ORDERS
OF THE COMMISSION APPLYING TO
THE ENGINEERING DIVISION OF
THE DEPARTMENT

1. D.P.U. 1073-C dated 3/10/24. Reporting of Accidents and Outages.

2. D.P.U. 4214 dated 8/19/31. Regulations and requirements for automatic devices for the prevention of fires to be installed in gas intake pipes leading to the meter.

3. Gas Meter Inspection Rules, August, 1944

4. D.P.U. 9208 and supplement dated 12/13/50. Determination of the heat content of gas.

5. D.P.U. 9734 dated 11/30/51 and 5/6/52. Natural Gas Safety Rules for Transmission Companies.

6. D.P.U. 10027-BA dated 12/24/52. Approval of Decalcomania for marking gas meters.

7. D.P.U. 11725 dated 5/2/56. Rules and Regulations to insure safe operating practices of gas companies and municipal gas departments.

8. D.P.U. 12527-D dated 6/23/58 to establish fees for testing gas meters by the Department (Chapter 696 of Acts of 1957)

RULES, REGULATIONS AND ORDERS OF THE COMMISSION APPLYING
TO DIVISION OF INVESTIGATION OF SECURITIES, DEPARTMENT
OF PUBLIC UTILITIES

- D.P.U. 10305 - Order of the Commission exempting from the provisions of Sec. 4 (i) of Chapter 110A of the G. L., securities listed on the New York Curb Exchange and all securities senior thereto.
- D.P.U. 10305-A - Order of the Commission amending Order D.P.U. 10305, exempting from provisions of said Section 4 (i) of Chapter 110A, securities listed on American Stock Exchange and all securities senior thereto.
- D.P.U. 10317 - Order of the Commission relating to exemptions of certain securities listed on the New York and Midwest Stock Exchange, and securities senior thereto.
- D.P.U. 10603 - Order of the Commission exempting the issuance of certain stock options within the meaning of Section 130A of the Internal Revenue Code and certain securities issued pursuant to the conditions of such stock options.
- D.P.U. 11282 - Order of the Commission exempting the sale of certain securities by a corporation to its employees pursuant to the provisions of sections 11 and 11E of Chapter 110A of the General Laws, as amended, and under certain conditions and limitation.

RULES, REGULATIONS AND ORDERS OF THE DEPARTMENT OF PUBLIC
UTILITIES APPLYING TO THE COMMERCIAL MOTOR VEHICLE
DIVISION

D.P.U. 10405 (2) - Order of the Department, dated May 3, 1955,
establishing general regulations relative
to motor carriers and brokers under authority
of Chapter 159B of the General Laws, as
amended.

Effective November 5, 1956

In PART 1 of the Rules and Regulations of the Department a new
section 21 was added which reads as follows:

TURNPIKES AND EXPRESS TOLL HIGHWAYS AS ALTERNATE ROUTES

Where a common carrier of property by motor vehicle is
authorized by the Department to operate over regular
routes between designated points within the Commonwealth,
and where a turnpike or express toll highway under the
jurisdiction of the Massachusetts Turnpike Authority
affords, in whole or in part, a reasonably direct and
practicable route between such points, such carrier may
use the said turnpike or express toll highway as an
alternate route for operating convenience only.
D. P. U. 11887

Effective March 1, 1957

In PART 1 of the Rules and Regulations of the Department a new
section 22 was added which reads as follows:

RELOCATED AND NEW HIGHWAYS AS ALTERNATE ROUTES

Where a common carrier of property by motor vehicle is
authorized by the Department to operate over regular routes
between designated points within the Commonwealth, and where
highways, relocated or constructed subsequent to the date of
such authorization, afford in whole or in part a reasonably
direct and practical route between such points, such carrier,
where no new service results, may use said highways for
operating convenience only. D. P. U. 11998

Effective May 22, 1958

In PART II of the Rules and Regulations of the Department the
following was added to Part II of D. P. U. 10405 (2)

5. Paragraphs 1 (c) and (d) hereof shall not apply in a case
where equipment is leased by a railroad from a wholly owned
subsidiary of the Lessee for use in transportation on rail-
road billing which is auxiliary or supplemental to its rail
service.

RULES, REGULATIONS AND ORDERS OF THE DEPARTMENT OF PUBLIC
UTILITIES APPLYING TO THE ACCOUNTING DIVISION

Affiliates of Gas and Electric Companies

Uniform System of Accounts

Orders applicable (none)

Express Companies

Uniform System of Accounts - Interstate Commerce
Commission

Uniform System of Accounts - For companies operating
within the State - (none prescribed)

Orders Applicable:

D.P.U. 4240, July 31, 1931

D.P.U. 4240, February 19, 1954

Gas and Electric Companies

Uniform System of Accounts

Orders applicable:

D.P.U. 4240, July 31, 1931

D.P.U. 4240, December 29, 1933

D.P.U. 4240, September 28, 1934

D.P.U. 4240, March 18, 1938

D.P.U. 4240, October 1, 1941

Provisions of the above orders included in
revised Uniform System of Accounts

D.P.U. 4240, July 26, 1949

D.P.U. 4240, December 28, 1951

D.P.U. 1073-E, December 28, 1923

D.P.U. 4980, December 24, 1935

D.P.U. 4980, December 24, 1935

D.P.U. 4980, December 1, 1953

D.P.U. 4447, July 14, 1932

D.P.U. 4447, March 24, 1933

D.P.U. 4447, June 15, 1942

Motor Carriers

Uniform System of Accounts - Interstate Commerce
Commission (Class I Carriers)

Uniform System of Accounts - Others - None prescribed

Preservation of Records of Class I Motor Carriers
Interstate Commerce Commission

Orders applicable:

D.P.U. 4240, November 24, 1943

D.P.U. 4240, June 22, 1949

Municipal Lighting Plants

Uniform System of Accounts

Orders applicable:

D.P.U. 4240, November 21, 1921

D.P.U. 4240, December 29, 1933

(Above orders printed or incorporated in Uniform
System of Accounts)

D.P.U. 4240, December 28, 1951

D.P.U. 1073-E, December 28, 1923

Railroad Companies

Uniform System of Accounts - Interstate Commerce
Commission

Orders Applicable:

D.P.U. 4240, July 31, 1931

(Incorporated in Uniform System of Accounts)

D.P.U. 4240, February 19, 1954

Sleeping Car Companies

Uniform System of Accounts, Interstate Commerce Commission

Orders Applicable:

D.P.U. 4240, July 31, 1931

D.P.U. 4240, February 19, 1954

Steamship Companies

Uniform System of Accounts

Note: One company files - using I.C.C. form

Orders Applicable:

D.P.U. 4240, July 31, 1931

Street Railways

Uniform System of Accounts for Electric Railways
Interstate Commerce Commission

Uniform System of Accounts for Motor Carriers
Interstate Commerce Commission

Orders Applicable:

D.P.U. 4240, July 31, 1931
D.P.U. 4240, July 27, 1943
D.P.U. 4240, June 15, 1945
D.P.U. 4240, July 19, 1945
D.P.U. 4240, June 7, 1946
D.P.U. 4240, February 18, 1954
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 1, 1953

Telegraph Companies

Uniform System of Accounts - Federal Communications Commission

Orders Applicable:

D.P.U. 4240, April 24, 1947
D.P.U. 4240, February 19, 1954
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 1, 1953

Telephone Companies

Uniform System of Accounts - Federal Communications Commission

Orders Applicable:

D.P.U. 4240, April 24, 1947
D.P.U. 4240, February 19, 1954
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 1, 1953

Voluntary Associations

Uniform System of Accounts - None prescribed

Orders Applicable - None issued

Water Companies

Uniform System of Accounts

Orders Applicable:

D.P.U. 4240, July 23, 1923
D.P.U. 4240, July 31, 1931
D.P.U. 4240, December 29, 1933 (attached to Uniform
System of Accounts as an Insert)
D.P.U. 1073-E, December 24, 1935
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 24, 1935
D.P.U. 4980, December 1, 1953

(D.P.U. 4240)

July 16, 1956

Regulations to Govern the Destruction of Records of Gas, Electric
and Water Companies and of Municipal Lighting Plants.

The order of the Department dated December 28, 1923 adopting regulations to govern the destruction of records of gas, electric and water companies and of municipal lighting plants providing for the destruction of customers' ledgers or other records used in lieu thereof at the end of six years is herein amended to provide for destruction at the end of three years.

The following vote is, therefore, adopted.

In the matter of regulations to govern the destruction of records of gas, electric and water companies and municipal lighting plants, it is

VOTED: Item No. 10 - Ledgers be amended by changing from six (6) to three (3) years the following:

- (c) Customers' ledgers and other records used in lieu thereof - 3 years
- (d) Customers' ledgers at local and branch offices - 3 years.

The Department FINDS notice and opportunity to present views on this amendment are unnecessary, impracticable and contrary to the public interest under the provisions of chapter 30A, section 3

of the General Laws, because this is a minor matter and will represent a modification of the present rules making possible certain economies to the companies involved. The Department intends to have a complete review of its regulations governing the destruction of records.

Respectfully submitted,

FRANCIS X. LANG

Chairman

DAVID M. BRACKMAN

JOSEPH F. CLEARY

TROY T. MURRAY

ROY C. PAPALIA

FRANCIS G. BEGLEY